

The complaint

Mr G has complained that Best Risk Management and Financial Service Limited ('Best') mis-sold him a level term life assurance policy. He wants his premiums repaid.

What happened

In January 2021 Mr G sought whole of life cover of £100,000 but because of his health history, this didn't prove possible within Mr G's budget. But in early 2022 Best was able to provide Mr G with a level term life insurance policy with a provider I shall refer to as 'Business R' in my decision. The policy would provide a death benefit of £44,869 for a monthly premium of £47.96 per month but only until Mr G reached the age of 90 years when the policy term ended.

In February 2023 Mr G wanted to amend the cover from level term to a whole of life policy. This proved to be prohibitively expensive, but Mr G's current policy was to be reviewed in three years to see if his circumstances had changed.

In September 2024 Mr G contacted Best again as he said he'd been offered a whole of life policy with another provider and wanted Best to endorse the advice. But this wasn't a service Best offered as it didn't provide advice as it only acted as broker.

Mr G went onto raise a complaint saying he had been mis-sold the Business R level term policy and wanted his premiums refunded. Best responded on 18 November 2024 not upholding the complaint. It explained the difference between a level term and whole of life policy – the latter requiring more stringent medical requirements as it would pay out irrespective of age – and so was more expensive. Mr G couldn't afford the higher premiums but Best had acted in best endeavours in trying to assist him.

Mr G wasn't happy with the outcome so brought his complaint to the Financial Ombudsman Service. Our investigator who considered the complaint didn't think Best needed to do anything more. He reiterated that because of Mr G's previous and existing medical conditions Best found a whole of life policy wasn't available within Mr G's budget. But Best had been very helpful every time he made contact.

Mr G didn't agree. He couldn't understand why another broker was able to provide him with a whole of life policy – but said he wasn't going to take that policy as the premiums were too high – and Best should negotiate better terms for him.

As the complaint remains unresolved, it has been passed to me for a decision in my role as ombudsman.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

After doing so, I have reached the same conclusion as the investigator and broadly for the same reasons. I'll explain why.

At the time of the application Mr G was 52 years of age and had current and pre-existing medical conditions. He had suffered a stroke in 2013 and had raised blood pressure for which he was prescribed treatment. It was Mr G's previous and ongoing medical condition that prevented Best from being able to fully satisfy his requirements because of the risk to which the insurance underwriters would be exposed.

But it was able to offer him the term assurance that would provide a benefit if he were to die before the age of 90 years. This was accepted by Mr G and he was provided with Business R's Key fact of our Personal Menu Plan' at the time which outlined the details of the plan, and I haven't seen anything to suggest that Mr G wasn't satisfied with those.

In response to the investigator, Mr G said that other third party brokers were able to quote him a whole of life insurance policy – even though he couldn't afford the premiums. He asked why Best couldn't convert his existing term life assurance to a whole of life policy and get better terms for him.

But I think Mr G is missing the point here as there is a significant difference between the two types of policy. Level term assurance only provides cover for a specific period – in this case until Mr G reached the age of 90 – and the policy would only pay out if death were to occur during the policy term. But because of that limitation – compared to a whole of life policy – the premiums are cheaper.

A whole of life policy would guarantee a payout on death, whenever that was, but because of that additional risk to the insurer, the premiums are more expensive – or the application would be rejected which is what happened in this case. And I think this is borne out by the whole of life cover premiums Mr G referred to as being offered to him as being triple of what he was paying. Mr G had a limited budget and couldn't afford the higher premiums for the whole of life cover.

But just because another broker was able to provide a quote for a whole of life policy with Business R – but at a prohibitively expensive premium – that doesn't mean it was for Best to negotiate better terms for him. As mentioned, a whole of life policy inevitably increases the risk to the insurer as death of the policy holder will occur at sometime during the life of the policy. So, the premiums need to be higher to reflect that guaranteed payment and the additional risk to the insurer.

Mr G has said that when he made direct contact with Business R to seek a quote he was told it could offer a whole of life policy. But as explained to Mr G during a call with Best, it was only upon the actual application for a whole of life policy – when the underwriter would assess Mr G's medical circumstances – that it could make a proper assessment of whether it was willing to offer a whole of life policy. When this was applied for, Business R rejected the application.

I can see that Best acted on best endeavours in trying to assist Mr G in finding the cover he wanted. Amongst other quotes given over the telephone to Mr G I can see Best made various attempts at getting the policy Mr G hoped for;

- It applied to Business R for a whole of life plan with a benefit of £44,869 but this was rejected by Business R.
- It applied to another provider for an over 50s life insurance quote, but the benefit was limited to £7,462 for a monthly premium of £24.00 and a two year waiting period.

- An application was made with another provider for a whole of life policy which would cost £91.22 per month for £25,000 cover with a six month waiting period.
- A whole of life policy was offered by a different provider again with a benefit of £32,250 but the monthly premium was £126.32.

So, I think it's clear from the above samples that Best made many attempts at getting Mr G the policy he wanted but this didn't prove possible bearing in mind his medical conditions and his budget. Because of this I don't think Best has done anything wrong in the provision of either the level term assurance or its attempts at getting a whole of life policy within his budget.

I've listened to telephone calls Mr G had with Best and I'm satisfied the service which was provided was courteous, informative and acting in Mr B's interests. I can also see Best helped with other matters such as the re-print/completion and potential amendment of the trust forms for the policy. So, I can't agree there have been any failings here.

Mr G has said he wasn't told about a whole of life policy at the point of sale. But I accept Best's point that this wasn't possible within Mr G's budget. The best it could do was a level term assurance policy that covered Mr G up to the age of 90 years within his budget.

Overall, I'm satisfied Best acted fairly and reasonably in broking the term assurance for Mr G. It looked at other options for him many times, but it wasn't possible to improve on the terms of his current policy bearing in mind his budget, circumstances and medical history/condition. And listening to the calls, Best was very helpful to Mr G and also responded promptly to any email correspondence or request he made so I don't agree with Mr G that the service provided was lacking in any way. Because of this I don't uphold Mr G's complaint.

I appreciate Mr G will be disappointed with the outcome. It's clear he understandably feels strongly about his complaint. But I hope I have been able to explain how and why I have reached my decision.

My final decision

For the reasons given, I don't uphold Mr G's complaint about Best Risk Management and Financial Service Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 29 December 2025.

Catherine Langley
Ombudsman